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In this conception of the instrumental character of the system of prices Mr. McPherson's greatest service lies. There was a time when economists were lost in delight at their discovery of how adequately changing prices adjusted demand and supply, and through them production and consumption, to each other. They failed to see in the constant use of such a mechanism with the wide fluctuations in prices which it entailed evidence of great imperfections in the coördination of economic processes. Mr. McPherson is right in regarding this question of organization as the great problem of "reconstruction." He is to be thanked for restating the problem in terms of the human judgments which make prices and of the factors of industrial organization which condition them. And, most important of all, he is to be congratulated upon coming to so clear an appreciation of his problem through a traditional exercise in value theory.

WALTON H. HAMILTON.

Amherst College.

Some Aspects of the Inequality of Incomes in Modern Communities.

By HUGH DALTON. (New York: E. P. Dutton & Co. 1920. Pp. 360.)

The book begins with a painstaking discussion of the views of prominent economists with regard to the distribution of incomes among families and especially of the effect of inheritance in producing inequality. This summary of the ideas of others is followed by an analysis from the author's own standpoint of the various forces which tend to give rise to inequality in income and of all possible devices which may be utilized to make incomes more equal.

Professor Dalton considers that very little argument is necessary to show that the present distribution of income is too unequal. However, he concludes that absolute equality would be absurd and leans toward a policy of distributing income somewhat more in proportion to the needs therefor than is accomplished by the present system. He everywhere recognizes, however, the fact that society cannot afford to sacrifice production in order to improve distribution. The problem, as he sees it, is how to lessen inequality in incomes without materially reducing the output of industry.

A few seeming inaccuracies and oversights in the book are out of harmony with the general carefulness of the work. On page 51, for example, he quotes Marshall approvingly as saying that Ricardo "was inclined to envisage mankind as wholly composed of city men," and then immediately discusses Ricardo's propositions concerning agriculture! The statement is made on page 281 that the custom of allowing the living to inherit the property of the dead "is a very curious fact," but

he fails to show anything curious about it. In his discussion of why women are paid less than men, he entirely overlooks the important circumstance that women commonly expect their calling to be terminated soon by marriage, and hence it is not worth while for the employer to train them for positions of great responsibility in his business.

On page 173, occurs the error, common to most economists, of assuming that interest is a payment for the services of "capital goods" rather than for a money loan. In the first chapter of part IV, natural wealth gaining ability and merit are tacitly assumed to be identical, which seems to imply a very narrow definition for the idea of "merit."

The preceding are minor points, but, in the opinion of the reviewer, other more fundamental errors occur which tend to weaken Professor Dalton's line of reasoning. He states on page 48, for example, that the rate of increase of agricultural production "has blown . . . [Malthus'] thesis into thin air, and exhibited him, not indeed as a moral delinquent, but as a very inadequate economist." As a matter of fact, it appears probable that Malthus' fundamental mathematical propositions can be shown to have held even during that rapid spread of population into comparatively unoccupied regions, which characterized the last century, and the most cursory thought convinces one that the fixed area of the earth's surface necessarily makes such an expansion into new territory a transitory rather than a permanent phenomenon. As for improvements in agriculture, a circumstance to which Professor Dalton attaches considerable importance, it can scarcely be said that they have thus far succeeded in affecting any startling increases in yields per acre.

Furthermore, Professor Dalton's assumption that the western world has progressed beyond all danger from the disproportionately rapid multiplication of the most inefficient types of mankind is delightfully optimistic but seems to contradict the statistical evidence presented by many investigators of the actual facts concerning birth rates in the different strata of society.

Throughout the entire book runs an undercurrent of assumption that all persons are actually endowed by nature with equal talents and ability and that, therefore, unequal advantages are wholly responsible for the differences that we observe in humankind. For instance, on page 258, he speaks of the belief that some workers, even with proper training, would not be able to fill certain occupations, as "hypothetical." Is it not strange, however, that human beings alone, of all the plant and animal kingdom, should show this practical identity of natural gifts? His conclusion that educational opportunities for all would tend to lessen differences in wages seems to be belied by conditions in

the United States where free schools have long been available to all, but where very wide differentials in wages and salaries still prevail.

The correctness of the assumption that much greater equality of wages than now exists would be desirable is nowhere demonstrated and the proposition appears to be one of very doubtful validity. Under such circumstances, what incentive would a worker have to "make good"?

While, for the reasons just stated, the reviewer believes that Professor Dalton has gone somewhat too far in his desire for greater equality of incomes, there can be little doubt of the fact that he has done a great service to students in this field by gathering together the material on the subject and presenting a logical discussion of the whole philosophy of distribution of income. The practical recommendations which he makes for modifications of inheritance laws are mainly those previously suggested by Professor Ely and Rignano in their respective writings and are distinctly moderate and logical. These propositions include the abolition of the intestate succession of distant relatives and the partial or total extinction of the right to bequeath inherited property. The last-mentioned limitation, aimed at the abolition of the class known as "the idle rich," certainly contains far-reaching possibilities and has much to commend it. Professor Dalton points out, however, the serious danger, overlooked by most writers on the subject, that heavy inheritance taxation is likely to dissipate the accumulations of wealth so essential to abundant production. He wisely suggests that with any measure causing the state to take over any considerable share of estates should go suitable legal safeguards so drafted as to prevent material diminution in our aggregations of industrial equipment.

The book throughout is thoroughly scientific and is characterized by abundant references and a logical style of presentation.

WILLFORD I. KING.

The Principles of Sociology. By EDWARD ALSWORTH ROSS. (New York: The Century Company. 1920. Pp. xviii, 708.)

Those who have followed Professor Ross's series of articles in recent issues of the *American Journal of Sociology*, and have looked forward to the publication of the volume which they foreshadowed, will not be disappointed in the book itself. In fact, Professor Ross's analyses are even more convincing and illuminating when combined in an integrated and connected system than they were as scattered monographs.

The book is divided into five parts: The Social Population, Social Forces, Social Processes, Social Products, Sociological Principles. The section on Social Processes is by far the most extensive, occupying 480 pages out of a total of 693 pages of reading matter. It is also